

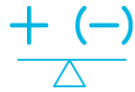
BALTIMORE METRO AREA

MULTIFAMILY MARKET | Q1 2025



213,692

Inventory (Units)



1,093

Net Absorption (Units)



6.3%

Stabilized Vacancy



7.2%

Overall Vacancy



6,335

Under Construction
+ Planned (Units)



\$1,707

Effective Rent (Unit)

Area absorption remains positive in Q1 2025

Market Observations

- Absorption for all classes of space in the 12-month period ending March 2025 was 3,666 units, which was 26% higher than the prior 12-month period.
- Per project lease-up pace for the 19 actively marketing projects in the Baltimore metro area currently averages 10.5 units per month, down half a unit from last quarter.
- Given projected absorption and the delivery schedule of projects currently under construction, we expect the region-wide vacancy rate for stabilized Class A apartment properties will decrease 80-basis points to 5.8% by the first quarter of 2028.
- Class A effective rents are expected to grow at 3.2% annually during this three-year period, which is above the 10-year annual average of 2.6%. However, growth will moderate slightly into 2027, with growth of 2.9%. We expect absorption will remain steady, averaging about 1,300 units per year.

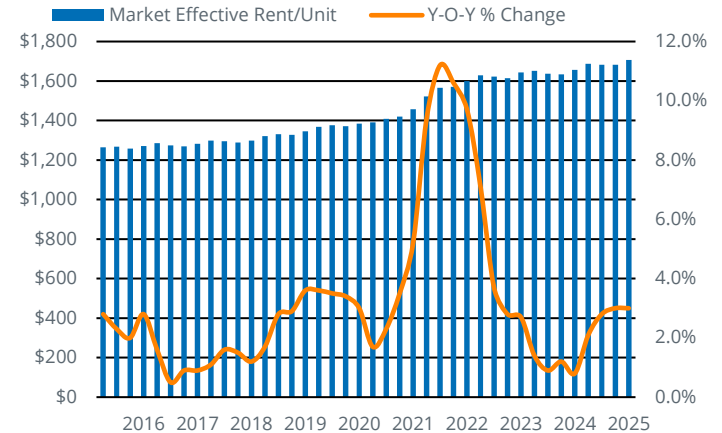




BALTIMORE METRO AREA MULTIFAMILY MARKET | Q1 2025

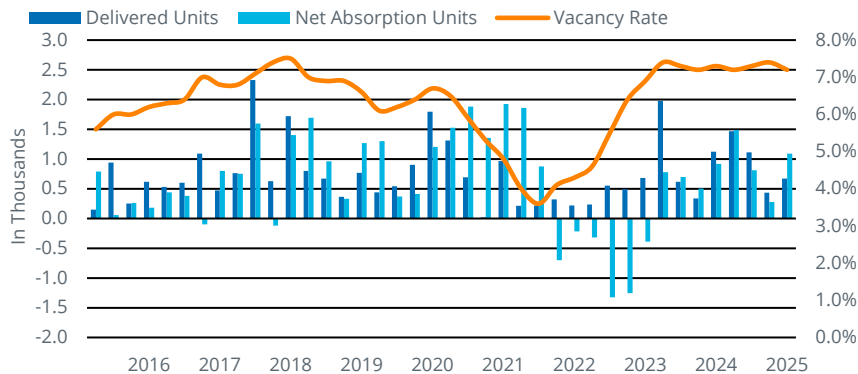
- Net absorption** for all classes of space totaled 1,093 units during the first quarter of 2024, with year-over-year totaling 3,666 units, which was 26% higher than the prior 12-month period.
- The **vacancy rate** was 7.2% at March 2025, up from 7.3% one year ago. The stabilized vacancy in the Baltimore metro area for all product was 6.3% during the first quarter of 2025, down from 6.7% a quarter prior.
- Average effective rents** for all classes of space in the metro area are \$1,707 (\$1.89 per SF). Rents are up by 3.0% metro-wide in the 12-month period ending March 2025. Rent growth was strongest in Baltimore City – up by 3.4%, followed by the Northern Suburbs with a 3.1% increase. The Southern Suburbs had positive rent growth of 2.5%.
- There are 4,179 units **under construction**, with Baltimore City making up 62% of the number, followed by the Southern and Northern Suburbs being 23% and 15% of the pipeline, respectively. Including projects that are **planned** and slated to deliver over the next 36 months brings the total to 6,335 units.

ASKING RENT



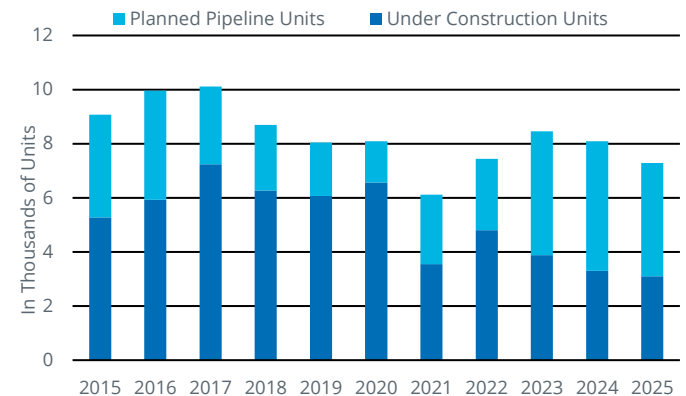
Source: CoStar, RealPage, Transwestern

DELIVERY IMPACT ON KEY INDICATORS



Source: CoStar, RealPage, Transwestern

UNDER CONSTRUCTION



Source: CoStar, RealPage, Transwestern



BALTIMORE METRO AREA MULTIFAMILY MARKET | Q1 2025

MARKET INDICATORS TABLE

By Classes of Space | Q1 2025

CLASS	INVENTORY UNIT	STABILIZED VACANCY RATE	OVERALL VACANCY RATE	UNITS UNDER CONSTRUCTION + PLANNED	NET ABSORPTION UNIT	Y-O-Y NET ABSORPTION UNIT	EFFECTIVE RENT / UNIT
Class A	50,633	6.6%	9.7%	6,181	1,065	2,698	\$2,210
Class B	93,973	5.8%	6.1%	154	11	934	\$1,672
Class C	69,049	6.9%	6.8%	0	17	18	\$1,346
Total	213,692	6.3%	7.2%	6,335	1,093	3,666	\$1,707

Source: CoStar, Transwestern



Research Methodology

The information in this report is the result of a compilation of information on multifamily properties located in the Baltimore metro area.

About Transwestern

Four dynamic, integrated companies make up the Transwestern enterprise, giving us the perspective to think broadly, deeply and creatively about commercial real estate. Clients and investors rely on us for expertise that spans institutional and opportunistic investment, development, hospitality, and brokerage and asset services. Our award winning, collaborative culture empowers team members with resources and independence to work across boundaries in pursuit of innovative solutions, reinforcing a reputation for service excellence that translates to measurable results. Through offices nationwide and alliance partners around the globe, we positively impact the built environment and our communities while fostering a work climate that champions career vitality for all. Learn more at transwestern.com and [@Transwestern](https://twitter.com/Transwestern)

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